



Administrative Regulation
Employee Benefits

Policy #	03-03.03
Effective Date:	September 1, 2020
Revision Date:	N/A
Owner:	Human Resources

Purpose:

To provide health and welfare benefit programs.

Scope:

This regulation applies to all employees.

Policy:

All City employees who are budgeted to work twenty (20) or more hours per week are eligible to enroll in insurance benefits established in this policy. Provisions of collective bargaining agreements prevail for bargaining unit employees. All regular part-time employees budgeted to work less than twenty (20) hours per week, temporary City employees, and temporary employees contracted through a temporary agency are not entitled to insurance benefits.

The procedural section of this document should be recognized as general guide. The plan document prevails if there is a conflict.

Procedure:

1. Medical, Dental and Vision Insurance

- 1.1. To enroll a on the City's health insurance plan, the Affidavit of Marriage or Domestic Partnership form attached to this Policy and supporting documentation must be submitted to Human Resources within thirty (30) calendar days of a qualifying event.
 - 1.1.1. If such documentation is not submitted within thirty (30) calendar days of the qualifying event date, the employee must wait until the annual open-enrollment period to add their domestic partner and/or domestic partner's children to the health insurance plan.
- 1.2. The City provides medical, dental, and vision insurance for eligible employees and dependents. Employees may not waive their individual coverage.
- 1.3. Coverage goes into effect on the first of the month following date of hire or date of hire if it coincides with the first calendar day of the month.
- 1.4. Employees shall pay a medical insurance premium contribution as determined by the Human Resourced Director annually.

- 1.5. All medical records are maintained by the City's insurance providers and are considered confidential medical records. The City will abide by the Federal Health Insurance Portability and Accountability Act (HIPAA) privacy standards law requirements.

2. Health Reimbursement Account

- 2.1. City funded Health Reimbursement Account (HRA) provides \$100 per month for single enrollment or \$200 for two party and family. Employees receive a pro-rated amount for a partial year employment. Un-used funds roll over annually.
- 2.2. Employees who enroll in the Health Incentive Plan (HIP) as a single participant but elect to waive dependent coverage on an/a eligible dependent(s), will receive the two-party/full family Health Reimbursement Account (HRA) amount (pro-rated for partial year). To get the higher HRA amount, the employee must submit proof annually at open enrollment showing the dependent relationship and proof of other medical coverage.

3. Springfield Wellness Center

- 3.1. Eligible employees and enrolled dependents age four (4) and older that are covered under the City Medical Benefit plan are eligible to use the free Wellness Center.

4. Life Insurance

- 4.1. City paid basic group life insurance and accidental death and dismemberment for Non bargaining employees shall be one times the employee's annual salary up to \$200,000.
- 4.2. Provisions of collective bargaining agreements prevail for bargaining unit employees.
- 4.3. Supplemental life insurance is available for all benefit eligible employees to purchase. Coverage for spouse and dependent children is also available to purchase.

5. Basic Life and Long Term Disability Insurance (LTD)

- 5.1. The City provides eligible employees coverage under a basic LTD plan. The plan provides partial income protection for you in case of loss of income due to a lengthy disability. LTD benefits provide for a 60% wage replacement on day 60 (SPA & Police Management) or day 90 (all other eligible unions/groups).
- 5.2. Basic Life and disability insurance coverage go into effect on the first day of employment.

6. Retirement

- 6.1. *The Oregon Public Employees Retirement System (PERS)* enables Oregon public employers to provide employees with retirement benefits as part of their total compensation package. Retirement benefits and eligibility is based on a tiered benefit

system. Eligible employees will be enrolled in one of the following retirement programs as administered by PERS:

6.1.1. PERS/OPSRP Membership

- 6.1.1.1. New employees hired to the City who are not already PERS or OPSRP members become OPSRP members after six full months of employment.
- 6.1.1.2. Employees hired by a PERS-participating employer and who have maintained active PERS membership fall into one of three tiers based on hire date:
 - Tier One covers members hired before January 1, 1996.
 - Tier Two covers members hired between January 1, 1996, and August 28, 2003.
 - OPSRP covers members hired after August 28, 2003.

6.1.2. The PERS system is a hybrid pension plan with two components.

- 6.1.2.1. Pension Program – a defined benefit program, funded by employer contributions. PERS uses multiple calculations depending on the tier to determine the pension amount.
- 6.1.2.2. Individual Account Program (IAP) – a defined contribution program, funded by 6% of salary paid by the City on behalf of employees.
- 6.1.2.3. Employees must be vested before becoming eligible to receive PERS/OPSRP plan components. Vesting generally occurs after five years.

6.1.3. Employees must meet eligibility conditions for PERS/OPSRP retirement. These conditions vary between tiers, types of service (General Service, Police and Fire,) and age of retirement. For additional information please go to the PERS website at: www.oregon.gov/PERS/pages/index.aspx

6.2. *City Retirement Plan.* Established in May of 1963, this legacy money purchase pension plan is restricted to currently enrolled employees in the Police Department hired at the City in a qualifying position. Specific details regarding the City Retirement Plan are available at the Human Resources Department.

7. FireMed Membership

7.1. As part of its benefit package, the City will provide basic FireMed membership to all City employees and eligible dependents. Benefit is limited to FireMed service areas.

8. Voluntary Benefits

- 8.1. *Deferred Compensation.* Deferred Compensation is a voluntary plan available to eligible employees to help save for retirement on a pre-tax basis. Deferred compensation for public employees is allowed and regulated under Internal Revenue Code (IRS) Section 457b.
- 8.2. *Flexible Spending Account (FSA).* The City offers an FSA plan that was established under Section 125 of the Internal Revenue Code. Flexible spending accounts allow participants to be reimbursed for certain eligible medical and dependent care expenses with before tax dollars.
- 8.3. *Short Term Disability (STD).* STD provides up to 60% wage replacement after a fourteen (14) calendar day waiting period for approved disability for up to seven (7) weeks (SPA & Police Management) or eleven (11) weeks (all other eligible unions/groups). The premiums are paid by employees after tax and the disability benefit payments are non-taxable.
- 8.4. *Supplemental Accidental Death & Dismemberment (AD&D) Insurance.* AD&D provides up to \$300,000 to an employee and the employee's covered family related to an accidental death & dismemberment.
- 8.5. *Supplemental Life Insurance.* Supplemental life insurance is a voluntary term life insurance for employee, spouse & dependent children. Premium paid by the employee after-tax and the cost is based on age. There is guaranteed coverage if purchased within thirty one (31) calendar days of hire.

9. Notification of Employee Changes

- 9.1. It is the employee's responsibility to notify the Human Resources Department within thirty (30) days of any and all personal changes that would affect the employee's insurance benefits and benefit records. These changes include but are not limited to:
- 9.1.1. Births, deaths, marriages, divorces, and adoptions
 - 9.1.2. Addition or removal of domestic partner
 - 9.1.3. Name, address, and telephone number
 - 9.1.4. A dependent that is no longer eligible for coverage due to reaching age 26
 - 9.1.5. Other changes affecting payroll deductions
- 9.2. Employees who do not comply with this requirement and for whom the City pays insurance premiums for ineligible dependents may be required to reimburse the City for those expenditures.

10. Continuation of Medical/Dental Premiums

- 10.1. The City will continue to fund its share of the insurance premium payments while the employee is off on an approved leave. When an employee is ill, pregnant, or has an

injury which prevents an employee from working up to six (6) months (180 calendar days), the employee will remain on active payroll until all accrued sick leave is used. This leave will typically run concurrently with FMLA/OFLA.

- 10.2. Extensions beyond the six (6) months' timelines will be considered on a case by case basis for approved paid leave reasonable accommodation. Employees will notify their department supervisor or Human Resources regarding any changes to their medical status during the duration of the approved leave.

11. Loss of eligibility

- 11.1. An employee who terminates or loses benefit eligibility during a month will receive coverage for the remainder of the month.
- 11.2. If an employee transitions to a non-benefited position, is on an unpaid unprotected extended leave status, or terminates employment, they will be offered COBRA insurance and will be responsible for the full monthly premium.

12. Continuation of Health Insurance under Consolidated Omnibus Budget Reconciliation Act (COBRA).

- 12.1. There are qualifying events that entitle an employee to continue participating in the City's group health insurance plans for a prescribed period of time, usually eighteen (18) months, after leaving City employment.
- 12.2. In certain circumstances, such as employee's divorce or death or a dependent ceasing to be eligible for coverage, the length of coverage period may be longer for qualified dependents. COBRA coverage is not extended to employees who are terminated for gross misconduct.

Definitions

1. "*Part-Time*" is a position which is scheduled for an average of thirty-nine hours or less per week for a period of six months or longer.
2. "*Position*" is a set of tasks, duties, and responsibilities assigned to one person within a classification by an authorized management personnel.
3. "*Full-time*" is a position which is scheduled for an average of forty hours per week for a period longer than six months.
4. "*Temporary*" is a full-time or part-time position which is normally seasonal, is not budgeted throughout the fiscal year, and which will not last longer than six months.

Resources:

Administrative Regulations:

1. [Retirement Benefits \(03-03.02\)](#)

Websites:

1. [Human Resources - Benefits](#)
2. [Benefit Changes](#)
3. [The HartFord](#)
4. [MODA/Delta Dental](#)
5. [PacificSource Health Plans](#)
6. [Oregon PERS](#)
7. [Cascade Heath Behavioral Health & EAP](#)

CREATION (Original):

This administrative regulation is in effect as of the date of my signature. I authorize the Human Resource Director to modify the history and resources sections and header, footer, and numbering without my reauthorization. The administrative regulation remains in effect should these revisions occur.

Approved By:	Nancy Newton, City Manager	Dates:	8/06/2020
Author:	Chaim Hertz, Director of Human Resources		
Responsible Party:	Human Resources		
Replaces:	Rule 12.2 of the City's Personnel Policy and Procedure Manual		

PERIODIC REVIEW:

Reviewer:		Date:	
Reviewer:		Date:	
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REVISIONS:

Version #2:	Responsible Party:			
	Revised By:			
	Approved By:		Date:	
	Reason/Summary of Changes:			